

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
SCI Cable, Inc.	)	File No.: EB-11-KC-0007
Former Owner of Cable Television Systems	)	NAL/Acct.No.: 201132560007
Perry, Kansas and Lecompton, Kansas	)	PSID No.: 008262
)	
Pottawatomie, Kansas	)	File No.: EB-11-KC-0008
	)	NAL/Acct. No.: 201132560008
	)	PSID No.: 014095
)	
Meriden, Kansas and Jefferson, Kansas	)	File No.: EB-10-KC-0094
	)	NAL/Acct. No.: 201132560006
	)	PSID Nos.: 004113, 014096
)	
	)	FRN: 0020384889
)	

ORDER

Adopted: March 13, 2014

Released: March 13, 2014

By the Regional Director, South Central Region, Enforcement Bureau:

1. In this Order, which follows upon Notices of Apparent Liability for Forfeiture and Orders (NALs) issued by the Enforcement Bureau's Kansas City Office on September 14, 2011,¹ we determine that no forfeiture penalties should be imposed on SCI Cable, Inc. (SCI).

2. In the NALs, we found SCI, former owner of cable systems in Perry, Lecompton, Pottawatomie, Meriden, and Jefferson, Kansas, apparently liable for forfeitures totaling \$39,000 for violations of Sections 11.35 and 76.1803 of the Commission's rules (Rules).² Specifically, SCI failed to (1) install and maintain operational Emergency Alert System (EAS) equipment at each of its cable systems, and (2) file required Annual Basic Signal Leakage Performance Reports (FCC Form 320s) for each of its cable systems that operated on aeronautical frequencies. Consistent with Section 503(b)(4) of the Communications Act of 1934, as amended (Act),³ SCI was granted an opportunity to show, in writing, why no such forfeiture should be imposed.

¹ *SCI Cable, Inc.*, Notice of Apparent Liability for Forfeiture and Order, 26 FCC Rcd 12927 (Enf. Bur. 2011) (NAL/Acct. No. 201132560008 for PSID Nos. 014095 (Pottawatomie); *SCI Cable, Inc.*, Notice of Apparent Liability for Forfeiture and Order, 26 FCC Rcd 12921 (Enf. Bur. 2011) (NAL/Acct. No. 201132560007 for PSID No. 008262 (Perry and Lecompton)); *SCI Cable, Inc.*, Notice of Apparent Liability for Forfeiture and Order, 26 FCC Rcd 12915 (Enf. Bur. 2011) (NAL/Acct. No. 201132560006 for PSID Nos. 004113 (Meriden) and 014096 (Jefferson)).

² 47 C.F.R. §§ 11.35, 76.1803.

³ 47 U.S.C. § 503(b)(4).

3. In its *Responses*,⁴ SCI asserts that it is unable to pay the proposed forfeitures, because it is a shell corporation with no assets or revenues, and significant debts. SCI claims that on July 21, 2011, its creditors “offered all assets of SCI Cable, Inc. at a public sale. Failing to meet a minimum bid, SCI’s creditors purchased the Corporation’s assets.”⁵ “On October 18, 2011, after liquidating the assets, [the creditor] returned the Corporation to [SCI’s President]. It is [SCI’s President’s] understanding that the Corporation has current liabilities in excess of \$2,700,000.00. The Corporation currently has no assets, no revenue, no income, and is insolvent.”⁶ Agents from the Kansas City Office confirmed with the creditors that it currently owns the cable systems in question, and the new owners have brought the systems into compliance with the rules.

4. SCI currently owns no cable systems, has no assets or revenues, and, while not dispositive, has liabilities in excess of \$2 million dollars. Accordingly, we conclude that it is unable to pay the proposed forfeitures⁷ and decline to pursue a forfeiture in this case.

5. **ACCORDINGLY, IT IS ORDERED** that, pursuant to Section 503(b) of the Communications Act of 1934, as amended, and Sections 0.111, 0.204, 0.311, 0.314, and 1.80(f)(4) of the Commission’s rules, the proposed forfeitures issued to SCI Cable, Inc., in the above captioned proceedings **WILL NOT BE IMPOSED**.⁸

6. **IT IS FURTHER ORDERED** that a copy of this Order shall be sent by both First Class Mail and Certified Mail, Return Receipt Requested, to SCI Cable, Inc. at its address of record and to its counsel, Michael Clutter, Clutter & Aadalen, LLP, 2201 SW 29th St. Ste. 100, Topeka, KS 66611.

FEDERAL COMMUNICATIONS COMMISSION

Dennis P. Carlton
Regional Director
South Central Region
Enforcement Bureau

⁴ Letter from Kirk Keberlein, President, SCI Cable, Inc., to Ronald D. Ramage, District Director, Kansas City Office (November 20, 2011) (on file in EB-10-KC-0094); Letter from Kirk Keberlein, President, SCI Cable, Inc., to Ronald D. Ramage, District Director, Kansas City Office (December 7, 2011) (on file in EB-10-KC-0094); Letter from Michael Clutter, Attorney for SCI Cable, Inc., to Kansas City Office (March 2, 2012) (on file in EB-10-KC-0094); Sworn Statement from Kirk Keberlein, President, SCI Cable, Inc., to Diane Law-Hsu, Regional Counsel, South Central Region (March 27, 2012) (on file in EB-10-KC-0094).

⁵ Sworn Statement from Kirk Keberlein, President, SCI Cable, Inc., to Diane Law-Hsu, Regional Counsel, South Central Region (Mar. 27, 2012) (on file in EB-10-KC-0094). *See also* Transfer Pursuant to Article 9 of the Uniform Commercial Code (July 21, 2011) (on file in EB-KC-0094). Because the secured creditor purchased SCI’s assets, and not its liabilities, we cannot hold the purchaser liable for the proposed forfeiture.

⁶ *Id.*

⁷ *See Spirit of Alaska Broadcasting, Inc.*, Order 26 FCC Rcd 10418 (Enf. Bur. 2011) (forfeiture not imposed because of licensee’s good faith compliance measures and because control of licensee involuntarily transferred to a court-appointed receiver); *Capital Telecommunications, Inc.*, Order, 25 FCC Rcd 13512 (Enf. Bur. 2010) (forfeiture not imposed because company filed for bankruptcy protection and was no longer active).

⁸ 47 U.S.C. § 503(b); 47 C.F.R. §§ 0.111, 0.204, 0.311, 0.314, 1.80(f)(4).